

King County Quarterly Economic Measures

First Quarter, 2000

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Executive Summary

As part of its year 2000 special programs contract with the Office of Regional Policy and Planning, the Central Puget Sound Economic Development District (EDD) produces quarterly reports on national and county economic measures. This document is an executive summary of the first quarter, 2000 report. Anyone desiring copies of the full 25-page report should contact Ray Moser, Manager, Economic Development Program at 205-0707.

The Nation

U.S. Economic Measures

The U.S. economy officially marked its 108th month of continuous expansion during the first quarter of 2000, a record for the postwar period. GDP grew at a 5.4% rate during the first three months of the new year, slightly below analysts' expectations but quite robust nonetheless. The result could be considered disappointing only in comparison to the revised 7.3% growth rate from the previous quarter. Consumer spending, which accounts for roughly two-thirds of U.S. output, continues to be the driving force behind the ongoing expansion. Recovering from a pre-Y2K lull, spending by businesses was up sharply, led by a \$20 billion jump in spending on computer equipment.

The remarkable thing about the current expansion has been the absence of any hint of inflation, although there are a few signs that the honeymoon may be coming to an end. In the fourth quarter of 1999, the GDP price deflator, a key inflation gauge, rose at a 1.9% annual rate, compared to 1.1% in the third quarter. Advance reports for first quarter 2000 show the implicit price deflator up by 2.6%. In March the consumer price index suggested the possibility of renewed inflation, up 0.7% from one month earlier and 3.7% over March of 1999 (compared with a 2.7% increase for all of 1999). While higher energy prices contributed substantially to the March gains, even the core rate of inflation (exclusive of food and energy prices) rose 0.4% in March, twice the rate observed in January and February.

Fears of increasing inflationary pressures have led the Fed to act preemptively. In the past ten months, the Federal Reserve has raised interest rates five times for a total of 1.25 percentage points. A further increase at the May 16th meeting of the Federal Open Market Committee would be the sixth in less than a year. As of the end of first quarter 2000, the federal funds target rate stands at 6%, its highest level in almost five years.

Interest rate hikes by the Fed coupled with the repurchase of government debt by the Treasury Department have resulted in an inverted yield curve, with shorter term 10-yr and even 3-yr bonds trading at higher rates than the standard 30-yr Treasuries. Inflation fears

have tended to keep bond yields higher, although the recent volatility in the stock market has led some to seek the relative safety of government securities.

With interest rates rising, mortgage rates have continued their upward trend. The interest rate on conventional 30-year, fixed rate loans hovered around 8.25% throughout the first quarter of 2000. The impact of higher capital costs is beginning to be felt within the housing sector. The National Association of Realtors recently noted that sales of existing homes nationwide were down 10.7% in January of 2000, the largest monthly decline in more than three years.

Industrial/Manufacturing Measures

Producers' durable equipment grew by \$55 billion in the first quarter of 2000, for an annualized rate of 23.7%, nearly twice the rate in the first quarter of 1999. The increase was largely due to a resurgence in computer purchases postponed due to Y2K concerns. Nonfarm inventories rose by \$38.1 billion, following an unusually high \$71.4 billion dollar increase in the final quarter of 1999. Signs of continued strong demand were evident in the orders placed with U.S. manufacturers during the first three months of 2000. Led by sales of electronic components, factory orders were up 2.5% from the fourth quarter of 1999 and 8.7% from the same quarter one year earlier. Industrial production increased on average by 0.5% in the first three months of 2000, slightly ahead of fourth quarter 1999 gains. At 81.5%, capacity utilization rates remain low.

Income Measures

Disposable personal income, or income after taxes, was up 0.9% in January, 0.3% in February, and 0.7% in March. Income growth in the first quarter of 2000 was largely attributable to stronger job growth and higher hourly earnings.

The Region

Economic Activity

Price levels in the region were up slightly in the first quarter of 2000. The consumer price index (CPI) for the western U.S. was up 1.0% from the previous quarter, for an annual rate of 4.1%. The estimated CPI for the Seattle metro area rose 0.8% in the first quarter of 2000, for an annual rate of 3.4%.

Bankruptcy filings in King County were at their lowest levels in more than five years. Bankruptcies declined 3.6% from the previous quarter and 9.7% from the same quarter twelve months earlier.

New business starts within Seattle returned to normal levels in the first quarter of 2000 following an unusually low number of new business licenses recorded in the final months of 1999. Licenses issued in the first three months of the new year were up more than 40% over the same period last year.

Air traffic at SeaTac continues to follow a long run trend of steady growth. The total number of passengers passing through the airport in the first quarter of 2000 increased 6.2% from the same period one year earlier, while air cargo volumes rose 2.8%. Container traffic at the Port of Seattle declined by 10.7% from first quarter 1999 levels.

Convention Information

The number of conventions and events held in King County during the first quarter of 2000 was essentially unchanged from first quarter 1999. Total room nights, a measure of the volume of tourist and business traffic, declined by 14% from the same period last year. Local room taxes collected during the fourth quarter of 1999 were up 16% from the same period last year. Local room tax per event, a proxy measure for delegate expenses, rose a healthy 44% from the same period twelve months earlier.

Taxable Retail Sales

Taxable retail sales in King County rose 12% overall in the twelve months leading up to the fourth quarter of 1999. Among the major sectors, transportation, communications, and utilities demonstrated the highest growth with an increase over fourth quarter 1998 of 56.9%. Construction activity, exhibiting continued strong growth, was up 19.1%. The services sector had its best quarter in years, up 12.2%. Much of the increase was due to growth in business services, including computer services, up by 24.2%. Retail trade, which accounts for 45 percent of all retail sales, rose 8.8%. Countywide, manufacturing finally showed some signs of a recovery—after four straight quarters in decline, it rose by 9.8%.

Taxable retail sales in the City of Seattle rose slightly higher than the county overall, up 13% in the fourth quarter of 1999. As in the county as a whole, sales in transportation, communications and utilities grew most quickly of all the major sectors, up by 44.9%, followed by construction (23.8%). Manufacturing activity was up 18.0% over the same period one year earlier. Finance, insurance and real estate, uncharacteristically, saw a 12-month drop in sales of 5.8%.

Employment

With its booming economy and tight labor market, King County continues to enjoy record low unemployment. The number of unemployed in King County was down by 4.4% from the same period last year. By the end of March, the unemployment rate stood at a mere 3.0%. The statewide unemployment rate reached record monthly lows in both January and March, finishing the quarter at 4.7%. Nationally, moderate job growth kept the rate of unemployment steady at an average 4.4% for the quarter.

Average monthly initial unemployment claims in the fourth quarter of 1999 declined by 1.8% over the same period last year; the number of unemployment beneficiaries declined by 0.6%. (Statistics on the number of beneficiaries by industry remain temporarily unavailable as of August 1999.)

In the Seattle metro area, the number of nonagricultural wage and salary workers grew by 2.0% in the first quarter of 2000. Compared to the first quarter of 1999, goods-producing industries were down by 6.6%; services-producing industries up by 4.3%. In line with the ongoing shift in the economic base of the Puget Sound region, manufacturing employment declined by 11.2%, led by job losses in transportation equipment, aircraft and parts (down 20.8%), while services employment increased by 5.4%, led by growth in business services, computer & data processing (up 22.1%).

Job Dislocation Activity

Job losses due to firm closures or workforce consolidation in the past 18 months were dominated by workforce reductions at Boeing. The King County Reemployment Center recorded an additional 2,980 workers laid off in the fourth quarter of 1999, bringing to 14,322 the number of dislocated workers attributed to the aerospace giant in all of 1999. Apart from Boeing, reductions in the manufacturing workforce during the final quarter of 1999 included 150 jobs at K2 of Vashon Island and 96 jobs at Interpoint Corp. of Redmond. In the services sector, there were a number of jobs lost in warehouse and distribution: 85 at CSK Auto in Auburn, and an additional 80 jobs at the Seattle Times in Seattle. A total of 130 customer service positions were eliminated at QualMed in Bellevue. KeyCorp of Auburn cut its credit and collections staff by 175. Adobe Systems, Inc. of Seattle and Keane, Inc. of Kirkland reduced their computer support staff by 63 and 51, respectively. There were a number of layoffs of backoffice staff among some of the area's retail giants: Eagle Hardware of Renton eliminated 300 jobs in accounting, marketing, human resources, purchasing and MIS; Nordstrom cut 190 information technology positions. Among health care providers, Monarch Care Center of Des Moines reduced its staff by 84, and the Yesler Terrace Clinic by 12. King County Public Health eliminated 15 positions.

Boeing and Airline Industry Data

The largest job losses in the central Puget Sound region continue to come from layoffs at Boeing. Workforce reductions have averaged about 1,300 per month since mid-1998. In early March, Boeing announced it might cut 5,000 more jobs than planned this year company-wide. Currently, approximately 40 percent of the company's U.S.-based workforce is located in Washington state. Locally, in the twelve-month period ending in March 2000, Boeing employment declined by 13.8%. While reducing the size of its workforce, Boeing appears to be doing more with less—contractual backlogs continued to decline during the first three months of the new year, down by 10.3% from the same period one year earlier. Backlogs in the commercial airplane division were down by 10%.

Wages

With employment and payroll data now available for the first half of 1999, overall monthly wages can be seen to have risen slightly in the first quarter (3.3%) only to fall again in the following quarter (-4.4%). However, total wage levels in the second quarter of 1999 were higher than in the same quarter one year earlier, by 6.2%. The major sectors with the highest average monthly wage were services and manufacturing.

Real Estate

Construction

Although it may be too soon to tell, the first quarter 2000 figures indicate a possible slackening in the local housing market. Compared to one year ago, King County sales volumes were down slightly and average time on market increased by a few days. However, it remains a seller's market, as prices on both new and existing homes continue to edge upwards.

The number of commercial and industrial permits issued in the first quarter of 2000 was up 3.1% from one year earlier, while the total dollar value of non-residential construction was less than half of that recorded in the first quarter of 1999. The number of residential permits issued for existing units was up 13.8% while those for new construction were down 3.7%. The dollar value of residential construction declined by 10%, although the number of new units built nearly doubled.

Office Market

The proliferation of high-tech firms and their seemingly insatiable demand for new office space continues to drive one of the hottest office markets in the nation. In the first quarter of 2000, the office vacancy rate in the Puget Sound region fell to an astonishing 3.5%, surpassing even the record low of 4.1% set last quarter. In downtown Seattle, the office vacancy rate was a scant 1.6%. Regionwide, the pace of absorption slackened somewhat. Compared with the record 2.2 million square feet of new office space absorbed last quarter, only 800,000 square feet was added in the first quarter of the new year, about half of which was in Seattle. With vacancy rates at historic lows, developers continue to bring new projects to market. More than 8 million square feet is currently under construction, with more than 70% of it preleased. The tightening market for Class A office space is finally being felt in the form of rising rents, with lease rates across the region up more than two dollars per square foot according to CB Richard Ellis' quarterly market report. In downtown Seattle, in the first quarter of 2000 alone, average lease rates rose 8.9%, compared with an increase of 12.8% for all of last year.

Industrial Market

In the first quarter of 2000, the vacancy rate for industrial space in the Puget Sound region remained essentially unchanged at 4.7%, only slightly higher than last quarter's 4.5%. In Seattle, the vacancy rate was up slightly from last quarter, but still a mere 2.1%. On the Eastside, the vacancy rate dropped a full point to 3.7%. Regionwide, net absorption was up sharply, with over a million square feet of new space added. The pace of new construction slowed to its lowest level in two years with only 1.6 million square feet planned for the first quarter, down from 2.8 million in the final quarter of 1999. Continued strong demand, coupled with a limited supply of available land, has pushed development southward into Pierce County and led to the redevelopment of older

buildings in the traditional industrial core. In Seattle, high-tech companies continue to convert existing industrial space to suit their needs, often incorporating office space with a variety of other uses, including research & development, manufacturing, or warehouse & distribution. While lease rates remained relatively flat last year, the tight real estate market is forcing rents upward in some areas. While rents in Seattle were unchanged in the first quarter, lease rates were up 9.1% on the Eastside and 9.4% in the Kent Valley.

Retail Market

Spurred on by a healthy regional economy and robust consumer spending, the market for retail space in the Puget Sound region remained strong throughout the second half of 1999. The retail vacancy rate region-wide declined slightly to 5.5% from 5.6% in the first half of the year. While more than one million square feet of new retail space was added, absorption slowed somewhat from preceding periods. Gains in the Downtown and Northend submarkets were offset by a negative absorption rate on the Eastside of 141,470 square feet, due mostly to recently completed construction. Continued demand for new space has driven up average asking lease rates by 8% overall. In downtown Seattle, lease rates for the most desirable sites have risen by as much as 50 percent in the latter half of 1999.

Apartment Market

Following three years of rapid growth characterized by rising rents and diminishing vacancy rates, the apartment market at last appears to be softening. A combination of overdevelopment and declining demand has led to a general increase in vacancy rates across the region. In one or two submarkets in the downtown Seattle area, rents actually declined slightly in the latter half of 1999. According to the City of Seattle's Department of Design, Construction and Land Use, 1999 saw something of a building boom in multifamily units—plans for new Seattle apartments and condominiums hit their highest levels in 16 years, with more than half of the new units located downtown. In spite of the construction of a record number of large, multi-unit apartment buildings, however, demand for single-family rentals remains strong. According to a just-released report by Dupre & Scott Apartment Advisors Inc., low vacancy rates and strong demand for rental houses has driven up rents an average of 6% per year. The report also found that in King County, the vacancy rate for apartments in smaller buildings (fewer than 19 units) has fallen from 2.8% to 1.8% in the past year. During that same period, rents have risen an average of 6.5%.

OUTPUT and INFLATION

	1999				2000
	I	II	III	IV	I
Real GDP	\$8,717.6	\$8,758.3	\$8,879.8	\$9,037.2	\$9,156.6
GDP growth	\$78.1	\$40.7	\$121.5	\$157.4	\$119.4
% change in GDP from previous quarter	0.9%	0.5%	1.4%	1.8%	1.3%
Annualized growth rate	3.7%	1.9%	5.7%	7.3%	5.4%
Current-dollar GDP	\$9,072.7	\$9,146.2	\$9,297.8	\$9,507.9	\$9,697.2
GDP growth	\$125.1	\$73.5	\$151.6	\$210.1	\$189.3
% change in GDP from previous quarter	1.4%	0.8%	1.7%	2.3%	2.0%
Annualized growth rate	5.7%	3.3%	6.8%	9.3%	8.2%
GDP Implicit Price Deflator	104.1	104.4	104.7	105.2	105.9
Annualized growth rate	2.0%	1.4%	1.1%	1.9%	2.7%
Consumer Price Index	164.6	166.2	167.2	168.3	169.8

INTEREST RATES

	1999				2000
	I	II	III	IV	I
1 yr T-Bill	4.44	4.62	4.87	5.29	5.82
3 yr T-Bond	4.87	5.35	5.71	6.00	6.56
10 yr T-Bond	4.98	5.54	5.88	6.14	6.48
30 yr T-Bond	5.37	5.80	6.04	6.25	6.30
Discount Rate	4.50	4.50	4.60	4.87	5.19
Federal Funds Rate	4.73	4.75	5.09	5.31	5.68
Prime Rate	7.75	7.75	8.10	8.37	8.69
Average Mortgage Rate : United States	6.91	6.92	7.16	7.23	7.53
30-Year Fixed Rate	6.88	7.21	7.80	7.83	8.26
Average Mortgage Rate : Seattle	6.87	7.01	7.18	6.99	7.50

NOTES:

GDP figures for first quarter 2000 are advance estimates, released April 27, 2000. Other GDP figures are revised.

Real GDP: Gross Domestic Product in (U.S. billions) 1996 dollars.

GDP Price Deflator: 1996 =100.

CPI: 1982-1984=100. Price index covers all urban consumers. Quarterly CPI is 3 month average.

National Interest Rates: 3 month average.

New Home Mortgage Yield: U.S. monthly average, not seasonally adjusted. Represents effective rate on conventional loans closed by major lenders. Rate is for newly-built homes. Effective interest rate is equal to the contract interest rate plus fees and charges amortized over a ten year period. Quarterly rates calculated as three month average.

Average Mortgage Rate: Average effective rate on conventional loans with approximate term to maturity of 30 years. Data is for the Seattle Consolidated Metropolitan Statistical Area (CMSA), which includes Kitsap, Thurston, Island, King, Snohomish, and Pierce counties.

SOURCES:

GDP figures from the Bureau of Economic Analysis national accounts data (<http://www.bea.doc.gov/bea/dn/nipbtbl-d.htm>).

CPI calculated by the Bureau of Labor Statistics (<http://stats.bls.gov/cpihome.htm>).

National Interest Rates from the Federal Reserve Statistical Release (<http://www.bog.frb.fed.us/releases/H15/>).

Mortgage rates from the Federal Housing Finance Board's Monthly Interest Rate Survey (<http://www.fhfb.gov/mirs.htm>).

INDUSTRIAL MEASURES

	1999				2000
	I	II	III	IV	I
Producers' Durable Equipment	935.7	960.9	996.6	1,006.4	1,061.4
Changes in Non-Farm Inventories	43.1	13.1	41.2	72.3	38.1
Manufacturers' New Orders	1,042.1	1,044.3	1,085.2	1,105.8	1,133.0
Non-Defense Capital Goods Orders	163.4	156.5	167.5	173.3	179.8
Industrial Production	134.6	136.1	137.7	139.5	141.7
Capacity Utilization Rate	80.4	80.5	80.7	81.0	81.5
Manufacturing	79.6	79.6	79.7	80.3	80.6

NOTES:

These figures measure industrial activity for the entire U.S. economy.

Producers' Durable Equipment and Changes in Non-Farm Inventories in billions of 1996 dollars, seasonally adjusted. Figures for fourth quarter 1999 have been revised. Figures for first quarter 2000 are advance estimates, released April 27, 2000.

Manufacturers' New Orders and Non-Defense Capital Goods Orders in billions of current dollars, seasonally adjusted. Figures for fourth quarter 1999 have been revised; figures for first quarter 2000 are preliminary estimates, released May 3, 2000.

Industrial Production: 1992 = 100, seasonally adjusted. Quarterly figures are 3 month average.

Capacity Utilization Rate for all industries includes manufacturing, mining, and utilities.

SOURCES:

Producers' Durable Equipment and Changes in Non-Farm Inventories: Bureau of Economic Analysis (<http://www.bea.doc.gov/bea/dn/nipbtbl-d.htm>).

Manufacturers' New Orders and Non-Defense Capital Goods Orders: Census Bureau (<http://www.census.gov/indicator/www/table5p.txt>).

Industrial Production and Capacity Utilization Rate: Federal Reserve Statistical Release (<http://www.bog.frb.fed.us/releases/g17/Current/>).

Regional Economic Indicators

	1999				2000
	I	II	III	IV	I
Consumer Price Index: Western U.S.	166.9	168.7	169.5	170.4	172.1
Consumer Price Index: Seattle CMSA	170.6	172.5	173.4	174.6	176.0
Port of Seattle					
Air freight (metric tons)	66,152	76,169	79,889	77,444	68,000
Water-borne freight (TEUs)	376,042	380,992	350,533	375,865	335,757
Air Passengers	5,732,910	7,097,764	8,307,005	6,562,054	6,086,158
Bankruptcies: Puget Sound Region	4,192	4,286	3,902	3,928	3,876
Bankruptcies: King County	1,767	1,841	1,662	1,655	1,596
New Business Starts: City of Seattle	1,728	1,822	2,898	863	2,432
Electrical Energy Usage: City of Seattle	2,743,722	2,250,356	2,076,725	2,358,532	2,733,937

NOTES:

CPI –U: Covers all urban consumers. 1982-1984 = 100. Data for selected local areas available on a bimonthly basis since 1998.

Quarterly figures for Seattle-Tacoma-Bremerton CMSA are extrapolated from bimonthly data.

New Business Starts consist of the total new business license accounts for the quarter.

Electrical Energy Usage in thousands of kilowatts billed.

SOURCES:

CPI: Bureau of Labor Statistics (<http://stats.bls.gov/cpihome.htm>).

Waterborne Freight and Air Traffic: Port of Seattle (<http://www.portseattle.org>).

Bankruptcies: U.S. Bankruptcy Court.

New Business Starts: Seattle Department of Licensing.

Electrical Energy Usage: Seattle City Light.

Convention Information: King County

	1999				2000
	I	II	III	IV	I
# Conventions/Events	157	156	106	107	158
# Room Nights	181,501	179,167	122,417	121,805	155,841
Room Nights per Event	1,156	1,149	1,155	1,138	986

	1998		1999		
	IV	I	II	III	IV
Local Room Tax	\$2,743,659	\$2,442,831	\$3,302,114	\$4,183,379	\$3,184,960
Room Tax per Event	\$20,629	\$15,559	\$21,167	\$39,466	\$29,766

NOTES:

The figures for number of conventions and number of room nights are for all events booked at the convention center and area hotels. "Local Room Tax" includes Washington State hotel/motel tax distributions to Seattle-King County, exclusive of taxes collected in Bellevue. This is used as a proxy for delegate expenses. Quarterly figures indicate the months when room taxes were collected, not distributed, since distribution occurs two months after collection. For example, hotel/motel distributions for June reflect collections made in April.

SOURCES:

Number of conventions/events and number of room nights: Seattle-King County Convention and Visitors Bureau

Hotel/Motel Tax Distributions: Washington State Department of Revenue

Taxable Retail Sales

INDUSTRY	SIC	City of Seattle			King County		
		Q4 1999		CHANGE FROM Q4 1998	Q4 1999		CHANGE FROM Q4 1998
		UNITS	TAXABLE RETAIL SALES (\$)		UNITS	TAXABLE RETAIL SALES (\$)	
RETAIL TRADE	52-59	6,302	\$1,433,536,526	8.8%	12,849	\$4,399,603,577	8.8%
BUILDING MATERIALS/HARDWARE	52	297	88,647,110	11.3%	644	240,826,993	8.4%
Lumber/Bldg Material	521-522	128	33,474,693	14.7%	232	120,995,794	13.7%
Paint, Glass, Wallpaper	523	7	6,646,734	53.5%	71	13,356,949	14.2%
Hardware Stores	525	67	24,156,673	-0.9%	153	85,219,334	1.9%
Nurseries/Garden Supplies	526	58	4,369,010	15.9%	178	19,645,713	5.8%
Mobile Home Dealers	527	-	-	-	10	1,609,203	-17.1%
GENERAL MERCHANDISE	53	38	122,627,140	2.0%	90	563,046,884	5.4%
Department Stores	531	9	98,152,875	1.8%	13	364,519,775	2.2%
Variety Stores	533	10	18,473,483	5.1%	30	149,368,102	6.9%
Other General Merchandise		19	6,050,782	-3.4%	47	49,159,007	30.4%
FOOD	54	535	138,485,495	11.1%	996	423,831,893	3.1%
Grocery Stores	541	348	131,002,197	11.8%	615	404,642,344	3.1%
Fruit/Vegetable/Meat	542-543	31	1,146,848	48.1%	63	2,879,099	23.6%
Candy/Nut/Confectionery	544	18	309,336	6.4%	35	611,269	-17.5%
Dairy Products	545	7	255,555	24.1%	15	634,714	32.9%
Bakeries	546	61	2,802,615	5.1%	110	3,942,673	-12.4%
Other Food Stores		70	2,968,944	-15.9%	158	11,121,794	4.6%
AUTO DEALERS/GAS STATIONS	55	400	214,986,247	8.0%	1,042	786,923,813	4.3%
Auto Dealers (New/Used)	551-552	97	159,753,176	12.0%	312	633,817,033	3.6%
Accessory Dealers	553	96	15,844,414	-25.8%	233	57,577,022	-12.8%
Service Stations	554	116	13,138,481	40.4%	325	46,450,741	41.4%
Marine/Aircraft, etc.		91	26,260,176	9.6%	172	49,079,017	10.9%
APPAREL/ACCESSORIES	56	423	124,332,983	3.7%	772	319,232,298	5.9%
Clothing	561-565	250	108,058,826	2.6%	452	269,474,684	5.6%
Shoes		40	8,277,225	12.2%	63	22,025,822	3.8%
Other Accessories		133	7,996,932	11.2%	257	27,731,792	10.6%
FURNITURE/FURNISHINGS/EQUIP.	57	1,016	148,162,155	4.2%	938	620,486,690	15.2%
Furniture	571	420	58,942,516	13.3%	801	203,654,484	16.7%
Appliances	572	39	3,046,431	-62.5%	104	33,956,956	-33.6%
Electronics/Music Stores	573	557	86,173,208	5.0%	33	382,885,250	22.3%
EATING/DRINKING PLACES	58	1,828	264,744,089	5.5%	3,511	581,078,187	9.1%
MISCELLANEOUS RETAIL STORES	59	1,765	351,491,307	17.1%	4,856	864,186,819	15.7%
Drug Stores	591	49	31,175,379	4.2%	105	84,714,110	0.5%
Miscellaneous Retail Stores	594	820	133,360,039	3.6%	1,608	357,804,453	6.5%
Nonstore Retailers	596	579	27,973,156	8.3%	331	83,138,411	13.2%
Fuel/Ice	598	25	15,041,164	6.3%	48	26,061,755	-3.8%
Other Retail Stores		292	143,941,569	41.6%	2,764	312,448,090	38.0%
SERVICES	70-89	5,214	584,667,247	12.3%	11,391	1,317,671,300	12.2%
HOTELS/MOTELS, ETC.	70	129	97,386,874	20.5%	324	191,612,385	15.4%
PERSONAL SERVICES	72	40	27,083,036	7.8%	1,376	62,620,792	8.7%
BUSINESS SERVICES	73	2,803	236,368,389	13.7%	4,083	510,343,005	12.8%
Computer Services	737	598	55,284,504	10.4%	1,107	144,202,735	24.2%
AUTOMOTIVE REPAIR/SERVICES	75	741	97,375,550	6.5%	1,755	293,547,474	11.4%
OTHER SERVICES		1,501	126,443,398	9.4%	3,853	259,547,644	10.8%
CONTRACTING	15-17	5,453	596,387,703	23.8%	8,764	1,571,936,187	19.1%
MANUFACTURING	19-39	1,182	100,790,229	18.0%	1,285	242,379,344	9.8%
TRANSPORTATION/COMM/UTILITIES	40-49	521	222,076,284	44.9%	800	508,737,321	56.9%
WHOLESALE	50-51	2,950	439,991,366	5.0%	5,044	1,215,322,357	3.1%
FINANCE/INSURANCE/REAL ESTATE	60-67	378	50,429,731	-5.8%	695	132,694,955	3.3%
OTHER BUSINESS	0-14/90's	1,113	22,393,928	7.9%	2,170	84,501,829	23.1%
TOTAL ALL INDUSTRIES		23,113	\$3,450,273,014	13.0%	42,998	\$9,472,846,870	12.0%

NOTES:

Quarterly taxable retail sales data released with a lag of up to 6 months. Units are number of businesses reporting taxable retail sales.

SOURCE:

Taxable Retail Sales: *Quarterly Business Review*, Department of Revenue, Washington State (<http://www.dor.wa.gov>).

Civilian Labor Force: King County

	1999				2000
	I	II	III	IV	I
Civilian Labor Force	1,031,533	1,033,533	1,045,067	1,045,933	1,034,867
Employed	997,100	1,001,933	1,011,333	1,015,033	1,001,900
Unemployed	34,467	31,600	33,733	30,900	32,933
Unemployment Rate	3.3%	3.1%	3.2%	3.0%	3.2%
Unemployment Rate: WA State	5.5%	4.5%	4.5%	4.3%	5.2%
Unemployment Rate: United States	4.7%	4.3%	4.2%	3.8%	4.4%
	1998		1999		
	IV	I	II	III	IV
Initial UE Claims	5,266	6,090	5,115	4,730	5,172
Unemployment Beneficiaries	16,994	21,246	20,430	17,883	16,893

Nonagricultural Employment: Seattle PMSA

	1999				2000
	I	II	III	IV	I
Non-Agricultural Employment	1,352,433	1,377,733	1,385,200	1,402,700	1,381,850
Goods Producing	294,833	293,000	298,600	290,033	275,500
Services Producing	1,057,600	1,089,300	1,076,033	1,112,700	1,104,533
Mining	700	700	700	667	700
Construction	69,600	75,367	81,167	80,467	75,500
Manufacturing	224,533	216,633	212,667	208,900	196,700
Durable Goods	180,133	172,900	168,200	164,033	155,000
Nondurable Goods	44,400	43,733	44,467	44,867	44,300
Transportation, Communications & Utilities	80,900	83,033	84,133	85,233	85,567
Wholesale & Retail Trade	314,533	323,167	328,833	335,400	330,633
FIRE	83,200	85,600	85,900	86,333	84,467
Services	391,100	401,367	405,933	414,033	412,133
Government	187,867	191,867	185,867	191,700	191,733

NOTES:

Civilian Labor Force consists of workers who live in the region in question. (based on household survey).

Non-Agricultural Employment consists of workers who work in the region in question. (based on establishment survey).

Unemployment Rates are not seasonally adjusted.

Initial unemployment claims figures are average new claims per month for the quarter; the number of unemployment beneficiaries per quarter is also a three-month average.

Seattle PMSA includes King, Snohomish, and Island Counties. The proportion of annual average total employment represented by each is approximately 83%, 16%, and 1%, respectively.

All quarterly figures are three-month averages.

SOURCE:

Washington State Labor Area Summaries, Washington State Employment Security, Labor Market and Economic Analysis Branch.

Seattle-King County Dislocation Activity

October - December 1999

Company	Location	Occupation	No. of Workers
Boeing Co.	King, Pierce & Snohomish Counties	All job classifications	2980
Eagle Hardware	Renton	Accounting, marketing, HR, MIS & purchasing	300
Nordstrom	Seattle	Information technology	190
KeyCorp	Auburn	Credit & collections	175
K2	Vashon Island	Manufacturing	150
QualMed	Bellevue	Customer service	130
Interpoint Corp.	Redmond	Electronics manufacturing	96
CSK Auto	Auburn	Warehouse, drivers	85
Monarch Care Center	Des Moines	Long-term health care	84
Seattle Times	Seattle	Distribution	80
Adobe Systems, Inc.	Seattle	Customer support	63
Keane, Inc.	Kirkland	Computer support	51
GE Financial Assurance	Seattle	Office support	35
King County	King County	Public health	15
Yesler Terrace Clinic	Seattle	Health care	12
True Value Hardware	Kent	Retail sales	10
October - December 1999	16 Companies		4,456 Dislocated Workers
1999	61 Companies		19,692 Dislocated Workers
1998	56 Companies		7,259 Dislocated Workers

SOURCE: King County Reemployment Support Center

Boeing Employees in Washington State

1989	1990	1991	1992	1993
106,670	104,515	104,700	98,603	88,890
1994	1995	1996	1997	1998
81,964	71,834	87,769	103,400	98,440
1999 I	1999 II	1999 III	1999 IV	2000 I
90,400	86,600	83,300	80,900	77,900

NOTES:

For quarterly totals, data reflects the number of employees at the end of the quarter. Boeing employees in Washington state represent approximately 40 percent of the company's U.S.-based workforce (including contingent labor and those employed by subsidiaries).

SOURCE:

The Boeing Company (<http://www.boeing.com>)

Boeing Contractual Backlogs

	1999 I	1999 II	1999 III	1999 IV	2000 I
Commercial Airplanes	84.1	76.9	75.7	73.0	75.7
Military Aircraft and Missiles	20.1	18.0	16.5	15.6	16.8
Space and Communications	9.6	9.5	8.7	10.6	9.6
Total	113.8	104.4	100.9	99.2	102.1

NOTES:

Boeing contractual backlogs in billions of U.S. dollars.

SOURCE:

The Boeing Company (<http://www.boeing.com>)

U.S. Airlines Net Profit

1994	1995	1996	1997	1998
-344	2,377	2,804	5,195	4,894

NOTES:

U.S. airlines net profit in millions of U.S. dollars.

ATA member airlines transport over 95 percent of all passengers and cargo traffic in the United States.

SOURCE:

Air Transport Association *Annual Report 1998* (www.air-transport.org)

Per Capita Disposable Personal Income: United States

1999				2000
I	II	III	IV	I
\$23,110	\$23,239	\$23,343	\$23,546	\$23,625

Monthly Average Wage by Industry: King County

	1998			1999	
	II	III	IV	I	II
Overall Average	\$3,358	\$3,384	\$3,612	\$3,730	\$3,565
Agriculture, Forestry, Fishing	\$2,430	\$2,114	\$2,729	\$2,479	\$2,801
Mining	\$3,447	\$3,751	\$4,248	\$3,217	\$3,370
Construction	\$3,106	\$3,214	\$3,518	\$3,154	\$3,308
Manufacturing	\$3,768	\$3,718	\$4,176	\$3,818	\$4,067
Transportation and Public Utilities	\$3,367	\$3,362	\$3,741	\$3,966	\$3,495
Wholesale Trade	\$3,622	\$3,670	\$4,060	\$3,913	\$3,762
Retail Trade	\$1,708	\$1,749	\$1,886	\$1,808	\$1,935
FIRE	\$3,800	\$3,859	\$4,277	\$4,338	\$3,859
Services	\$4,112	\$4,183	\$4,247	\$4,933	\$4,377
Government	\$3,025	\$3,005	\$3,200	\$3,006	\$3,124

NOTES:

Per Capita Disposable Personal Income: Values are in 1996 dollars at seasonally adjusted annual rates. Data is from the revised National Income and Products Accounts newly benchmarked to 1996. Earlier reports using 1992 figures are not comparable. Wages: Average of monthly wages per worker by industry. Figures are lagged six months or more due to reporting delay.

SOURCES:

Per Capita Disposable Income comes from the U.S. Bureau of Economic Analysis (<http://www.bea.doc.gov/bea/nipbtbl-d.html>). Wages: *Employment and Payrolls in Washington State by County and Industry* (Washington State Employment Security).

Construction

City of Seattle

	1999				2000
	I	II	III	IV	I
Residential Construction	\$89,291,828	\$146,410,493	\$92,315,114	\$67,031,816	\$80,320,089
Non-Residential Construction	\$273,824,670	\$330,694,235	\$333,585,384	\$272,317,311	\$125,023,154
Building Permits					
Commercial and Industrial	642	748	754	664	662
Existing Housing Units	513	823	856	589	584
New Residential Permits	135	164	198	165	130
New Residential Units	810	1,157	928	1,213	1,562

King County

	1999				2000
	I	II	III	IV	I
Home Sales: New & Existing					
# of Sales	4,752	6,980	6,922	5,674	4,544
Days on Market	42	38	35	38	45
Average Sales Price	\$275,428	\$286,426	\$303,110	\$296,234	\$306,152
Median Sales Price	\$225,825	\$229,650	\$239,588	\$237,400	\$243,350
Home Sales: New Construction					
# of Sales	582	864	671	595	629
Days on Market	77	84	88	80	86
Average Sales Price	\$330,934	\$327,040	\$370,076	\$367,627	\$386,097
Median Sales Price	\$289,550	\$270,947	\$289,828	\$297,965	\$302,003

NOTES:

The number of commercial and industrial permits is estimated by subtracting from the total number permits for residential construction, schools, churches, and other permit activity.

SOURCES:

City of Seattle Department of Construction and Land Use, *Issued Building Development Permits* (monthly reports).
Home sales data comes from the Northwest Multiple Listing Service.

Office Market

Downtown Seattle

	1999				2000
	I	II	III	IV	I
Total Square Feet	28,092,099	28,067,099	28,315,014	28,469,378	28,746,728
No. of Buildings	-	220	222	224	227
Vacant Square Feet	1,303,473	993,575	741,853	589,316	462,822
Vacancy Rates	4.6%	3.5%	2.6%	2.1%	1.6%
Under Construction (sq. ft.)	2,376,735	2,336,407	2,889,825	2,997,727	3,246,950
Absorption (sq. ft.)	288,744	284,122	257,121	353,469	405,479
Median Lease Rate (per sq.ft.)					
Class A	\$28.50	\$29.50	\$31.50	\$30.28	\$33.68
Class B	-	\$21.00	\$23.50	-	-
Class C	-	\$17.50	\$19.50	-	-
Vacancy Rate					
Class A	-	3.7%	2.6%	1.5%	1.0%
Class B	-	3.2%	2.4%	4.3%	3.9%
Class C	-	2.7%	3.5%	2.3%	1.9%

NOTES:

"Downtown Seattle" consists of the Canal, CBD, Denny Regrade, Lake Union, Lower Queen Anne, Pioneer Square and Waterfront. The absorption rate is the change in amount of leased space. A negative figure means more space came onto the market than was absorbed by new leases. CB Richard Ellis calculates absorption on a building by building basis.

SOURCE: CB Richard Ellis *Quarterly Market Reports*

Office Market

North King County

	1999				2000
	I	II	III	IV	I
Total Square Feet	1,135,559	1,135,559	1,135,559	1,135,559	1,135,559
No. of Buildings	24	24	24	24	24
Vacant Square Feet	13,627	15,330	20,667	29,525	37,928
Vacancy Rates	1.2%	1.4%	1.8%	2.6%	3.3%
Under Construction (sq. ft.)	0	0	0	0	0
Absorption (sq. ft.)	-55,803	-1,654	-5,380	-8,855	-8,387
Ave. Class A Lease Rate	\$19.27	\$19.13	\$20.60	\$20.46	\$22.75

South King County

	1999				2000
	I	II	III	IV	I
Total Square Feet	5,462,343	5,557,354	5,632,654	5,741,805	5,797,606
No. of Buildings	-	-	-	-	-
Vacant Square Feet	672,414	562,960	497,927	433,506	404,093
Vacancy Rates	12.3%	10.1%	8.8%	7.6%	7.0%
Under Construction (sq. ft.)	355,000	315,300	302,240	301,508	301,508
Absorption (sq. ft.)	-241,592	-30,857	140,010	77,959	79,481
Ave. Class A Lease Rate	\$17.24	\$17.46	\$18.34	\$18.64	\$21.60

NOTES:

"North King County" consists of the area north of the Ship Canal up to the King County line.

"South King County" consists of the area south of the Kingdome to the King County line, excluding Federal Way.

The absorption rate is the change in amount of leased space. A negative figure means more space came onto the market than was absorbed by new leases. CB Richard Ellis calculates absorption on a building by building basis.

SOURCE: CB Richard Ellis *Quarterly Market Reports*

Office Market

Bellevue/Eastside

	1999				2000
	I	II	III	IV	I
Total Square Feet	17,985,544	19,095,242	19,671,493	20,864,771	20,979,771
No. of Buildings	-	336	343	355	358
Vacant Square Feet	435,250	713,792	842,013	710,569	772,056
Vacancy Rates	1.8%	3.7%	4.3%	3.4%	3.7%
Under Construction (sq. ft.)	2,500,700	3,612,543	4,709,508	3,772,968	4,103,207
Absorption (sq. ft.)	236,797	743,758	389,491	1,412,423	175,727
Average Lease Rate (per sq.ft.)					
Class A	\$25.37	\$26.00	\$26.00	\$24.05	\$26.74
Class B	-	\$22.00	\$22.00	-	-
Class C	-	\$17.00	\$17.00	-	-
Vacancy Rate					
Class A	-	4.3%	4.6%	3.9%	3.7%
Class B	-	2.6%	4.0%	2.3%	2.1%
Class C	-	0.7%	0.6%	1.0%	0.5%

NOTES:

"Bellevue/Eastside" consists of all of King County directly east of Lake Washington, plus that portion of Bothell extending into Snohomish County.

The absorption rate is the change in amount of leased space. A negative figure means more space came onto the market than was absorbed by new leases. CB Richard Ellis calculates absorption on a building by building basis.

SOURCE: CB Richard Ellis *Quarterly Market Reports*

Industrial Market

Seattle

	1999				2000
	I	II	III	IV	I
Total Square Footage	75,168,465	70,930,026	71,016,568	70,927,337	71,140,072
Industrial	73,948,053	69,741,261	69,827,803	69,785,228	69,951,307
High-Tech	1,220,412	1,188,765	1,188,765	1,142,109	1,188,765
Vacancy Rate	-	1.8%	1.7%	2.0%	2.1%
Industrial	1.6%	1.8%	1.7%	2.0%	2.0%
High-Tech	1.3%	2.3%	2.5%	1.2%	3.9%
Total Vacant (sq. ft.)	1,199,156	1,310,581	1,216,673	1,437,324	1,473,250
Industrial	1,183,169	1,283,239	1,187,073	1,423,619	1,427,007
High-Tech	15,987	27,342	29,600	13,705	46,243
Lease Rates (per sq. ft./mo.)					
Industrial	\$0.50	\$0.45	\$0.45	\$0.45	\$0.45
High-Tech	\$0.82	\$0.82	\$0.82	\$0.85	\$0.85
Absorption (sq. ft.)	73,587	245,152	93,071	-265,167	173,500

NOTES:

Beginning with the second quarter of 1999, the elimination of a number of buildings under 10,000 square feet, and other technical adjustments, reduced the size of the tracked inventory. Net absorption figures have been adjusted for these changes.

High Tech: Industrial buildings with a mix of research and development uses. They stand three stories or less, off 25% to 75% office uses and parking ratios of 2.5:1 or greater.

Industrial: Warehouse, distribution, and manufacturing buildings with less than a 25% office buildout.

"Seattle" stretches from the King/Snohomish line south to Tukwila.

SOURCE: CB Richard Ellis *Quarterly Market Reports*

Industrial Market

Kent Valley

	1999				2000
	I	II	III	IV	I
Total Square Footage	84,849,635	85,067,093	85,570,159	85,844,794	87,166,421
Industrial	83,015,471	83,252,435	83,755,501	83,983,480	85,351,763
High-Tech	1,834,164	1,814,658	1,814,658	1,861,314	1,814,658
Vacancy Rate					
Industrial	5.7%	5.6%	4.8%	4.9%	6.2%
High-Tech	15.6%	7.4%	6.8%	6.9%	5.5%
Total Vacant (sq. ft.)	5,018,195	4,829,722	4,177,707	4,218,798	5,391,071
Industrial	4,731,882	4,695,437	4,053,766	4,089,995	5,291,809
High-Tech	286,313	134,285	123,941	128,803	99,262
Lease Rates (per sq. ft./mo.)					
Industrial	\$0.32	\$0.33	\$0.33	\$0.35	\$0.35
High-Tech	\$0.95	\$0.95	\$0.95	\$0.95	\$0.95
Absorption (sq. ft.)	279,464	-355,945	1,398,338	224,142	762,681

NOTES:

Beginning with the second quarter of 1999, the elimination of a number of buildings under 10,000 square feet, and other technical adjustments, reduced the size of the tracked inventory. Net absorption figures have been adjusted for these changes.

High Tech: Industrial buildings with a mix of research and development uses. They stand three stories or less, off 25% to 75% office uses and parking ratios of 2.5:1 or greater.

Industrial: Warehouse, distribution, and manufacturing buildings with less than a 25% office buildout.

"Kent Valley" is defined as Tukwila, Renton, Kent, Auburn and SeaTac.

SOURCE: CB Richard Ellis *Quarterly Market Reports*

Industrial Market

Eastside

	1999				2000
	I	II	III	IV	I
Total Square Footage	20,271,280	20,334,569	20,560,153	20,357,740	20,272,821
Industrial	15,689,214	15,855,848	16,016,009	15,695,902	15,644,888
High-Tech	4,582,066	4,478,721	4,544,144	4,661,838	4,627,933
Vacancy Rate					
Industrial	5.4%	5.7%	5.6%	4.1%	4.9%
High-Tech	2.2%	0.7%	2.6%	6.7%	3.4%
Total Vacant (sq. ft.)	949,786	931,963	1,010,932	959,309	924,764
Industrial	850,355	900,612	893,693	645,102	769,728
High-Tech	99,431	31,351	117,239	314,208	155,036
Lease Rates (per sq. ft./mo.)					
Industrial	\$0.55	\$0.55	\$0.60	\$0.60	\$0.60
High-Tech	\$1.20	\$1.20	\$1.25	\$1.25	\$1.30
Absorption (sq. ft.)	258,498	252,595	136,939	153,793	228,702

NOTES:

Beginning with the second quarter of 1999, the elimination of a number of buildings under 10,000 square feet, and other technical adjustments, reduced the size of the tracked inventory. Net absorption figures have been adjusted for these changes.

High Tech: Industrial buildings with a mix of research and development uses. They stand three stories or less, off 25% to 75% office uses and parking ratios of 2.5:1 or greater.

Industrial: Warehouse, distribution, and manufacturing buildings with less than a 25% office buildout.

"Eastside" consists of the east side of Lake Washington, King/Snohomish County Line south to Renton City Limits.

SOURCE: CB Richard Ellis *Quarterly Market Reports*

Retail Market

Puget Sound Area

	1997		1998		1999	
	First Half	Second Half	First Half	Second Half	First Half	Second Half
Total Rentable Sq. Footage	57,680,961	60,439,311	62,536,242	59,030,357	60,597,201	61,220,255
Total Vacant	3,692,585	3,727,557	4,195,059	2,613,436	3,387,384	3,336,504
Vacancy Rates	6.4%	6.2%	6.7%	4.4%	5.6%	5.5%
Absorption (sf)	1,360,265	2,826,650	1,629,429	6,442,336	561,033	72,711

Puget Sound consists of the downtown Seattle, Northend, Southend, Eastside, and Kitsap Markets.

Downtown Seattle

	1997		1998		1999	
	First Half	Second Half	First Half	Second Half	First Half	Second Half
Total Rentable Sq. Ft.	3,627,914	3,627,914	3,686,414	4,558,469	4,558,469	4,816,804
Total Vacant	81,969	92,708	101,172	114,678	131,740	148,839
Vacancy Rates	2.3%	2.6%	2.7%	2.5%	2.9%	3.1%
Rental Rates	\$22.78	\$27.03	\$26.60	\$25.16	\$26.29	\$38.31
Absorption (sf)	62,781	-10,739	50,036	847,549	8,243	64,233

The Ship Canal south to the West Seattle Bridge including the Central Business District, Denny Regrade, Lower Queen Anne, Pioneer Square, West Lake Union, Capitol Hill and the Central District.

Northend

	1997		1998		1999	
	First Half	Second Half	First Half	Second Half	First Half	Second Half
Total Rentable Sq. Ft.	14,419,662	15,317,492	15,513,322	15,152,425	15,803,346	15,847,347
Total Vacant	782,182	711,080	849,089	678,490	933,978	1,044,340
Vacancy Rates	5.4%	4.6%	5.5%	4.5%	5.9%	6.6%
Rental Rates	\$13.03	\$14.81	\$11.96	\$13.15	\$11.19	\$16.03
Absorption (sf)	323,675	1,085,416	57,821	747,419	12,752	51,709

Northend is defined as North Seattle from Ship Canal up through Snohomish and Northern Counties.

Southend

	1997		1998		1999	
	First Half	Second Half	First Half	Second Half	First Half	Second Half
Total Rentable Sq. Ft.	26,721,964	27,540,484	28,285,213	27,509,392	27,894,915	28,293,688
Total Vacant	1,968,671	2,032,407	2,139,346	1,344,928	1,860,591	1,621,228
Vacancy Rates	7.4%	7.4%	7.6%	4.9%	6.7%	5.7%
Rental Rates	\$12.29	\$10.61	\$11.78	\$14.65	\$15.07	\$19.07
Absorption (sf)	719,765	754,784	637,790	2,424,513	265,823	98,239

"Southend" is South Seattle through Pierce and Thurston Counties.

Bellevue/Eastside

	1997		1998		1999	
	First Half	Second Half	First Half	Second Half	First Half	Second Half
Total Rentable Sq. Ft.	9,861,030	10,529,030	11,626,902	11,810,071	12,340,471	12,262,416
Total Vacant	476,879	515,084	696,958	475,340	457,831	521,153
Vacancy Rates	4.8%	4.9%	6.0%	4.0%	3.7%	4.3%
Rental Rates	\$14.72	\$22.55	\$15.24	\$17.32	\$19.92	\$21.21
Absorption (sf)	111,466	629,795	915,998	761,210	274,215	-141,470

All of King County east of Lake Washington, including Bellevue, Kirkland, Redmond, Issaquah, Bothell and Mercer Island.

SOURCE: CB Richard Ellis *Quarterly Market Reports*

Apartment Market

	1997		1998		1999	
	First Half	Second Half	First Half	Second Half	First Half	Second Half
Seattle/North King	1.2%	1.3%	1.2%	1.7%	2.3%	3.4%
Capitol Hill/Eastlake	0.9%	1.9%	1.9%	1.4%	1.1%	0.5%
Central District	1.0%	1.7%	0.5%	-	2.2%	5.3%
Downtown/First Hill	1.6%	0.8%	0.8%	1.7%	2.2%	3.7%
Magnolia/Queen Anne	0.4%	1.3%	1.2%	1.8%	2.5%	4.2%
North Seattle	0.0%	1.5%	1.2%	1.2%	1.1%	3.0%
Sandpoint	0.0%	0.0%	0.0%	0.5%	1.8%	2.6%
South Seattle	1.0%	1.1%	-	1.0%	3.2%	-
University District	3.7%	0.8%	1.0%	0.5%	2.7%	1.5%
West Seattle	1.6%	1.7%	1.1%	0.6%	3.2%	3.2%
South King County	3.0%	1.9%	1.7%	1.8%	3.0%	3.6%
Auburn	5.4%	2.3%	1.1%	2.4%	4.4%	4.7%
Burien/Des Moines	3.2%	2.0%	1.2%	1.6%	3.0%	1.9%
Federal Way	3.5%	2.0%	1.9%	2.0%	3.2%	6.2%
Kent	3.2%	1.6%	1.7%	2.2%	2.1%	3.4%
Renton	1.5%	1.9%	1.9%	1.4%	3.5%	2.4%
Sea-Tac/Tukwila	2.7%	1.8%	1.8%	1.4%	3.0%	3.4%
East King County	1.0%	1.1%	1.4%	1.7%	2.7%	5.2%
Bellevue	0.8%	0.9%	1.0%	1.4%	2.4%	5.6%
Bothell/Woodinville	0.5%	1.8%	1.6%	3.2%	2.8%	4.8%
Issaquah/North Bend	2.2%	1.0%	1.8%	1.5%	3.1%	3.8%
Kirkland	1.3%	1.2%	1.7%	1.9%	3.8%	3.4%
Redmond	1.2%	0.8%	1.7%	1.0%	2.1%	6.1%
Snohomish County	1.2%	1.4%	1.1%	1.8%	3.8%	4.2%
Edmonds	1.0%	1.4%	0.7%	0.9%	2.4%	1.9%
Everett	1.9%	1.7%	1.1%	1.8%	2.9%	5.3%
Lynnwood	1.3%	1.0%	1.0%	2.4%	2.8%	3.9%
Marysville	0.0%	2.1%	1.7%	0.0%	7.7%	6.3%
Mountlake Terrace	0.3%	0.8%	0.8%	1.8%	4.1%	3.2%
Pierce County	6.0%	4.8%	4.5%	3.3%	3.2%	5.1%
Fircrest	4.7%	4.2%	6.2%	3.2%	3.6%	3.5%
Gig Harbor	4.2%	6.4%	3.6%	5.1%	4.5%	8.5%
Lakewood	6.9%	6.1%	5.3%	3.6%	3.3%	4.9%
Puyallup	4.9%	3.0%	3.7%	1.4%	3.3%	4.8%
Tacoma	6.4%	5.0%	4.5%	2.3%	2.7%	6.1%

SOURCE: CB Richard Ellis *Quarterly Market Reports*

Sources for Quarterly Economic Measures

AIR TRANSPORT ASSOCIATION is the source for airline industry profits. Their World Wide Web address is <http://www.air-transport.org/>.

BOEING is the source for Boeing employment and for their backlog of airplane orders. Their World Wide Web address is <http://www.boeing.com/>.

CB RICHARD ELLIS provides quarterly reports on the office and industrial real estate markets. Retail and apartment markets are profiled twice yearly.

CITY OF SEATTLE DEPARTMENT OF DESIGN, CONSTRUCTION AND LAND USE now posts its monthly *Issued Building Development Permits* report on the web at <http://www.ci.seattle.wa.us/dclu/Research/PermitStats/ibdpindx.htm>.

FEDERAL HOUSING FINANCE BOARD is the source for the national new home mortgage yield. Their web address is <http://www.fhfb.gov/mirs.htm>. FREDDIE MAC also provides mortgage rate data in its monthly *Primary Mortgage Market Survey* at <http://www.freddiemac.com/pmms/>.

FEDERAL RESERVE is the source for interest rates, as well as industrial production and capacity utilization figures. Their World Wide Web address is <http://www.bog.frb.fed.us/releases/H15/>.

KING COUNTY REEMPLOYMENT SUPPORT CENTER is a core program of the Worker Center and is the source for worker dislocation statistics.

PORT OF SEATTLE is the source for data on air and waterborne freight shipments and passenger traffic.

QUARTERLY BUSINESS REVIEW is published by the Washington State Department of Revenue. It lists the amount of taxable retail sales by industry by county. The data has a lag of around six months.

SEATTLE CITY LIGHT tabulates electrical sales in its monthly revenue report.

SEATTLE DEPARTMENT OF REVENUE is the source for new business licenses issued.

SEATTLE-KING COUNTY CONVENTION AND VISITORS BUREAU provides monthly updates on convention activity locally.

U.S. BANKRUPTCY COURT tracks the number and type of bankruptcies in Western Washington.

U.S. BUREAU OF ECONOMIC ANALYSIS is the source for many of the national economic measures. Their web site is <http://www.bea.doc.gov>.

U.S. CENSUS BUREAU is the source for manufacturers' new orders and non-defense capital goods orders. Their web site is <http://www.census.gov/indicator/www/table5p.txt>.

WASHINGTON STATE DEPARTMENT OF REVENUE publishes *Local Sales and Use Tax Distributions* every two months on the web at <http://dor.wa.gov/>.

WASHINGTON STATE EMPLOYMENT SECURITY publishes *Labor Area Summaries* and *Employment and Payrolls*, which provide data on employment and unemployment, as well as information on wages and prices.